

INTERVENERS
DATA REQUEST

REQUEST NUMBER INT 2.1 - INT 2.10

Requested of: John Felmy

Party: Intervener American Petroleum Institute

Date Submitted: 4/21/08

Docket Number: 07-0446

GENERAL INSTRUCTIONS FOR FILLING OUT THE DATA REQUEST

Interveners, Pleasant Murphy and the Village of Downs ("Interveners") hereby submit Interveners' Data Requests INT 2.1 to INT 2.10 to the Intervener American Petroleum Institute. Responses should be delivered on or before May 2, 2008 ("Response Due Date"), in accordance with the instructions set forth below.

DEFINITIONS AND INSTRUCTIONS

1. "Relate to" or "refer to" shall mean, in addition to their customary and usual meaning, to reflect on, to pertain to, support, evidence, constitute, or mention.
2. "And" as well as "or" are to be construed either disjunctively or conjunctively so as to bring within the scope of this request any matters that might be construed outside its scope.
3. The terms "document" or "documents" are intended to be comprehensive, including without limitation any kind of written or graphic material, whether typed, handwritten, printed, computer-generated, or matter of any kind from which information can be derived, however produced, reproduced or stored on paper, cards, machines, tapes, film, electronic facsimile, disks, computer tapes, printouts, computer programs or computer storage devices or any other medium, of any nature whatsoever, including all originals, copies and drafts.
4. When asked to "identify" a person, provide that person's name, job title and last known business address.
5. All documents requested herein are all those in the custody of, possession of, or control of the party or its experts, consultants, agents, employees or representatives (including attorneys), or to which the party or its experts, consultants, agents, employees or representatives (including attorneys) have access.
6. If any of the information requested in a data request cannot be furnished, please indicate what information is not being provided and the reason that it cannot be provided.

7. If the party asserts any privilege as to any documents responsive to this request, it shall identify the author(s) of the document, the addressee(s), the recipients(s) of copies, the date of the document, the nature of the document (e.g., letter, memorandum, handwritten notes), the length of the document, the document's current location, and the specific reason(s) why the party contends that the document is privileged or otherwise protected from discovery.
8. The response to each data request question should begin on a new page. As part of each response, please identify the data request question to which the response is made by typing it at the top of the page. In addition, each response should identify the name, job title and telephone number of the person or persons responsible for providing the information requested for each data request question. If any person so identified is not a witness in this proceeding, the response shall also identify the witness or witnesses who will be responsible for the answering of cross-examination questions pertaining to both the request and the response.
9. Documents provided as part of a response should be attached to the sheet containing the response. Each page of all documents provided in response to any data request question should be clearly marked with the data request question number, unless stapled together, in which case only the first page need be marked.
10. Please provide individual responses as they become available. If, in your responses to a data request, you make reference to written testimony or affidavits filed in this docket, please include page numbers and line numbers where the information sought by Staff in each question can be found.
11. Electronic responses in searchable native format, rather than paper responses, are requested. If data is provided in response to a particular request, such data should be provided in an electronic format that allows data manipulation (i.e., spreadsheet – preferably Microsoft Excel – or database – preferably Microsoft Access – not .pdf). If a portion of a response needs to be provided in paper, please provide the entire response in paper and also provide electronically the portion that is able to be provided electronically. Responses shall be provided on or before the Response Due Date as follows:

Electronic responses shall be provided to the following persons:

Janis Von Qualen
Illinois Commerce Commission
jvonqual@icc.illinois.gov

Mark Maple
Illinois Commerce Commission
mmaple@icc.illinois.gov

James Olivero
Illinois Commerce Commission
jolivero@icc.illinois.gov

Mercer Turner
Law Office of Mercer Turner, P.C.
mercerturner1@msn.com

If a paper response is required (i.e., where an electronic response cannot be provided), the paper response shall be provided to the following persons:

Janis Von Qualen
Staff Attorney
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701

Mark Maple
Energy Division
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701

James Olivero
Staff Attorney
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701

Mercer Turner
Law Office of Mercer Turner, P.C.
202 N. Prospect, Suite 202
Bloomington, IL 61704

12. Each data request response shall be sworn to and verified by providing an attestation in the following form:

STATE OF _____)

)

COUNTY OF _____)

_____, being first duly sworn on oath, deposes and states that he/she has read the responses to Interveners Data Requests [LIST APPLICABLE DATA REQUEST RESPONSES], and the answers made therein are true, correct and complete to the best of his/her knowledge and belief.

Signature

SUBSCRIBED AND SWORN to before me this ____ day of _____,
2008

NOTARY PUBLIC

13. The party must seasonably supplement or amend any prior answer or response whenever new or additional information subsequently becomes known to the party. The party must also seasonably supplement any prior response to the extent of documents, objects or tangible things which subsequently come into the party's possession or control or become known to the party.
14. Due to the requirements regarding ex parte communications in the State Officials and Employees Ethics Act, 5 ILCS 420/5-50, please serve your responses to these data requests to all parties on the Service List for this Docket. Data Request responses should not be served upon the Administrative Law Judge.

Description of Data Request

- INT 2.1 Attached hereto as Exhibit A is a copy of slide 24 from your October 2006 PowerPoint presentation. It depicts an amount of investment based on API's review of 250+ Annual Company Reports from 2000-2005 and also information from the U.S. Department of Energy. Please name the 25 leading U.S. firms who have invested in Canadian Sand Tar and the amounts which you believe each firm has invested using not only the sources noted on Exhibit A but also any sources subsequent to the making of Exhibit A which the API has reviewed.
- INT 2.2 Attached hereto as Exhibit B is a copy of slides 25 and 26 from your December 7, 2007 PowerPoint presentation. Slide 25 explains that 77% of proven oil reserves are controlled exclusively by foreign national oil companies. Please name the 25 leading IOC's and NOC's who own significant proven reserves of the Canadian sand tar located in the Province of Alberta.
- INT 2.3 There is a video located on the Internet at http://www.energytomorrowmedia.org/API_Oil_Prices_v2.wmv, which features your comments that crude oil prices are determined on a worldwide market. Attached hereto as Exhibit C are slides 3 and 4 from your December 7, 2007 PowerPoint presentation. Slide 3 illustrates annual growth of oil consumption comparing China, the U.S. and other countries. Please explain how crude oil prices are established on a worldwide market. Please explain the consequences of demand from China on the price of crude oil in the United States.
- INT 2.4 Attached hereto as Exhibit D is an Inbridge PowerPoint slide illustrating the concept of netback. Please explain who benefits from netback. Please opine to a reasonable degree of professional certainty about how much netback will be realized for

2009 and also each of the next 10 years after 2009. If you cannot express such an opinion, please explain in detail, why you are unable.

INT 2.5 Do you agree that many of the Gulf Coast refineries do not need to retool in order to refine the Canadian manufactured enriched liquid bitumen which is being promoted in this case? Please explain your answer. Do you also agree that refinery capacity is more likely to exist in the Gulf Coast than at Flint Hills, Joliet, Whiting, Wood River, Robinson, or other refineries located near the State of Illinois? Please explain your answer. Do you agree that the refineries at Flint Hills, Joliet, Whiting, Wood River, Robinson or at other location near the State of Illinois have ample present and future supply of product to refine without the Southern Access Extension proposed in this case? Please explain your answer.

INT 2.6 Attached hereto as Exhibit E is slide 18 of the Neil Earnest April 17, 2007 PowerPoint presentation contained on the Internet WEB site of the API. Do you agree that it accurately depicts pipeline infrastructure and proposed expansion projects for the heavy Canadian manufactured liquid enriched bitumen? Please explain your answer. Do you support, as an economist, projects transporting the heavy Canadian manufactured liquid enriched bitumen from the Province of Alberta to the Pacific Ocean coast of Canada? Please explain your answer. Do you agree that China could by itself or with other Asian demand such as India consume all of the heavy Canadian manufactured liquid enriched bitumen? Please explain your answer. Do you agree that if the demand for crude oil from China which presently exists and which is conservatively estimated in the future would cease, that the world price for crude oil would drop measurably? Please explain your answer. Do you agree that large oil companies like ExxonMobil, Chevron, and BP are motivated by business interests to supply Asia with its crude oil and petroleum demands? Please explain your answer.

INT 2.7 Attached hereto as Exhibit F is an Internet article reporting on your presentation on September 23, 2005 at a Delaware agriculture meeting. Do you agree, as this article explains, that "the slightest change in production capacity can have a major impact on fuel prices and availability." Please explain if recent Gulf Coast hurricanes, like Hurricane Katrina, are included in your opinion as having a major impact on fuel prices and availability. Further, please explain whether there are major negative implications of transporting the heavy Canadian manufactured enriched liquid bitumen to the Gulf Coast hurricane prone area. Please have your answer justify, if possible, why enhancing the supply to a major hurricane area makes sound economic sense when a hurricane can have a major impact on fuel price and availability.

INT 2.8 Are you familiar with the economic analysis set forth by Nobel Laureate Merton H. Miller which provides that Canadian crude oil does not impact the worldwide price of crude oil when it is transported to the United States because the incentive to transport it to

the United States is to increase its value closer to the world price? Please explain your answer. Do you agree with Merton H. Miller? Please explain your answer. For your benefit attached hereto as Exhibit G is the testimony of Merton H. Miller.

INT 2.9 You consistently advocate as an economic spokesperson for the API that government interference in the petroleum industry is costly and therefore undesirable. Is this true? Please explain your answer.

INT 2.10 Do you agree that many crude oil pipelines have been built in the United States without a reliance on eminent domain? Please explain your answer with examples comparable to the instant case. It is true that you consider confiscatory government action to be undesirable, such as, the action taken in Venezuela against ExxonMobil. Please explain your answer. Is it true that from an economic viewpoint that the exercise of eminent domain is confiscatory in nature? Please explain your answer. If a farm in McLean County, Illinois were in the same family for more than 100 years, and if this farm has never been subjected to a pipeline, would it be reasonable for the owner to ask Enbridge to route that pipeline around this farm? Please explain your answer. Similarly, as an economist, would you agree that Enbridge lowers its right-of-way acquisition expense by making its route flexible as opposed to enforcing the power of eminent domain against a farm family who sentimentally loves their farm because of long-term family ties to the land? Please explain your answer. Are you familiar with the attached report commissioned by the U.S. Department of Transportation and the Federal Energy Regulatory Commission entitled "Transmission Pipelines and Land Use"? (Attached hereto as Exhibit H) Would you agree that not compensating landowners for the recommended Hazard Area Radius setback provided on page 112 of said report would be confiscatory in nature? Please explain your answer.

Please provide your responses by May 2, 2008.

PROOF OF SERVICE

The undersigned certifies that on this 21st day of April, 2008, a copy of the foregoing Interveners Data Request, together with Exhibits, was served upon the following parties at the e-mail address indicated below:

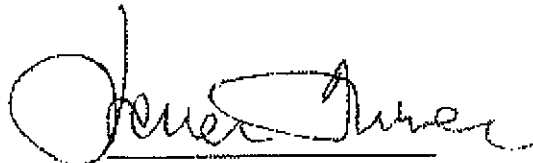
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